

1 Adopt 2 Cal. Code Regs. Section 18530.3 to read:

2 **18530.3. Contributions to Political Party Committees; Mixed Federal and Non-Federal**
3 **Expenditures**

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5 (a) Other than contributions and expenditures regulated exclusively by federal law, all
6 contributions received by a political party committee as defined by Government Code section
7 85205, including contributions deposited into “allocation” and “Levin fund” accounts described
8 at part 300, 11 Code of Federal Regulations, and all payments made by a political party
9 committee, shall be reported under the provisions of this title. The limitation set forth at
10 Government Code section 85303(b) applies to all contributions described in this subdivision that
11 will be used for the purpose of making contributions to candidates for elective state office.

12 (b) If federal law requires that a payment for mixed federal and state or local activities be made
13 from a committee’s federal account, but permits reimbursement to the federal account from a
14 non-federal account maintained by the committee, the payment by the federal account shall be
15 deemed a transfer of contributions to the non-federal account, to the extent that the non-federal
16 account does not reimburse the federal account in a sum equal to the value received by the non-
17 federal account. Federal rules prescribing a fixed minimum percentage that must be attributed to
18 expenditures supporting or opposing a federal candidate shall not be deemed to establish the
19 value of expenditures supporting or opposing state or local candidates or measures, if the federal
20 rules do not accurately reflect the actual value of expenditures supporting or opposing state or
21 local candidates or measures.

22 (c) Contributions transferred from federal to non-federal accounts under subdivision (b) shall be
23 allocated among all persons who have contributed to the federal account since January 1 of the
24 prior calendar year. No contribution attributed to a particular contributor under this subdivision

1 shall constitute a violation of Government Code section 85303(b) if the contributor did not
2 expressly so allocate the contribution at the time it was originally made.
3 (d) Expenditures by a political party committee for office overhead, voter registration drives,
4 generic party building activities, fundraising, and similar expenditures which are not
5 contributions or independent expenditures intended to support or oppose particular state or local
6 candidates or ballot measures, may be apportioned by any reasonable accounting method
7 between expenditures attributable to federal party activities and to state or local party activities.

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10 NOTE: Authority cited: Section 83112, Government Code.
11 Reference: Section 85303, Government Code.